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 朗诗绿色生活
— LANDSEA GREEN LIFE —

PART 01

公司概况

COMPANY OVERVIEW



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ONE

Company Overview

A fast-growing property management service provider with a strong presence in the Yangtze River Delta and a proven track record in providing green building property management services

Outstanding track record

As of 31 December 2022



Overall strength in Top 100 Property Management Companies in China 2021

As of 31 December 2021



Ranking of the Top 100 Property Management Companies in China based on the proportion Of green buildings with 2-star or above certification in the building area under management

2018-2022



2018-2022



Operations as of 31 December 2022



Including approximately 27.69 million sqm of residential properties under management, approximately 1.49 million sqm of commercial and office buildings, and 15 urban services projects (annual contracted revenue of approximately RMB24.25 million)



Including approximately 35.38 million sqm of residential properties, approximately 1.71 million sqm of commercial and office buildings, and 15 urban services projects (annual contracted revenue of approximately RMB24.25 million)



Property management services cover 36 cities, including 27 cities from the Yangtze River Delta and 9 other cities in the PRC



203 properties under management, including 163 residential properties, 25 commercial and office buildings, and 15 urban services projects, providing services to over 240,000 households

有温度的社区

Financial highlight

Rapid expansion in scale

Contracted GFA	37.09 million m ²	↑	32.6%
GFA under management	29.18 million m ²	↑	50.0%
New contracted GFA	10.85 million m ²	↑	116.6%
New GFA under management	11.20 million m ²	↑	294.4%

Comprehensive expansion from independent third-party

New contracted GFA from independent third-party	10.70 million m ²
Of which: increased contract construction area by M&A	7.03 million m ²
New GFA under management from independent third-party	9.60 million m ²
Pct. of GFA under management by independent third parties	57.2% ↑ 14.9pct.

Continuous growth in revenue

Total revenue	8.89 亿元	↑	20.6%
Revenue from property management services	6.22 亿元	↑	32.3%
Revenue from value-added services to non-property owners	1.87 亿元	↓	6.5%
Revenue from community value-added services	0.80 亿元	↑	19.4%

注: 1. 合约面积和在管面积均不包含城市服务



Continuous upgrades in customer connectivity diversity

Orderly advancement of digital intelligence tools

Strengthen the concept of green and sustainable development

Continuous outward brings scale anexpansiond efficiency improvement

Continued growth in financial results

- ◆ Focusing on customer satisfaction and neighbourhood relations and adhering to a customer orientation, Landsea Friends is dedicated to creating a community of close acquaintances that is both innovative and diverse, and warm and supportive, by inspiring KOLs and associations in the community with a professional approach. Introducing standardised community culture products and standardised customer reach chains to enhance the sense of convenience and interaction of the customer's community culture experience;
 - ◆ Launched the "Landsea Friends" community culture app, with 18,311 registered users and 199,307 accumulated visits
 - ◆ 19 national and city-level associations have been established, connecting 210 community associations;
 - ◆ 616 events were held, 82 of which were organized by residents themselves, reaching over 380,000 customers and a total of 49,000 homeowners have participated in the events
 - ◆ Service accounts covering the use of all projects under management;
 - ◆ Enterprise WeChat has basically achieved complete household coverage;
 - ◆ The customer service app is completely launched, and the online service and service experience management system built together with the service account and enterprise WeChat is becoming mature
-
- ◆ Responding to the national goal of "carbon neutrality" and "carbon peak", we participate in promoting the "green development" of the property management industries. Exploring the way of carbon neutrality in sustainable communities and promoting carbon reduction in the whole scenario of urban life, including community energy use, domestic water use, residents' travel and non-hazardous waste;
 - ◆ Combined the post-operation and maintenance of green buildings with preliminary consulting services to provide green building property management consulting services, with a new contracted service area of 280,000 sqm
 - ◆ Consolidated total contracted GFA of approximately 40.04 million sqm., of which unconsolidated contracted GFA was approximately 2.95 million sqm.; consolidated contracted GFA was approximately 37.09 million sqm., representing an increase of approximately 32.6% over the contracted GFA as at 31 December 2021;
 - ◆ Consolidated total GFA under management of approximately 31.56 million sqm., of which unconsolidated GFA under management of approximately 2.38 million sqm.; consolidated GFA under management of approximately 29.18 million sqm., representing an increase of approximately 50.0% over the GFA under management as at 31 December 2021;
 - ◆ Revenue from main business increased by 20.6% compared to the same period last year.

Main business models

The Company derives its revenue from three main business lines: property management services, value-added services to non-property owners and community value-added services.

70.0%¹

Property management services

Providing property management services to property developers, property owners and residents of residential and non-residential properties

A variety of property management services



Security services



Cleaning services



Gardening and landscaping services



Carpark management



Regular repairs and maintenance services



Customized services for commercial and office buildings and city service properties

Serving a diverse range of residential and non-residential types



All types of residential communities



Bungalow, etc.



Office building



Rental apartment



Hospital etc.

Residential

Commercial and office buildings



Urban civil Services



Public facilities



Industrial Park



Branches of bank

Urban Services

21.0%¹

Value-added services to non-property owners

Providing customized value-added services to Landsea and independent third parties



Sales assistance services: mainly includes visitors reception, on-site cleaning, security, repair and maintenance services to assist property developers in showcasing and marketing their properties at the pre-sale stage



Property consultancy services: from the perspective of property management with development site selection, positioning, construction, as well as other pre-delivery developers



Property agency services: including marketing and sales planning, market research and analysis, customer data management and analysis, organizing and training of sales staff to property developers

9.0%¹

Community value-added services

Provide a variety of community value-added services to property owners and residents in residential properties under management



Home-living services: such as house cleaning and home repair and maintenance services.



Public resources management services: mainly include leasing common areas and advertising.



Asset management services: property agency services in relation to the sale and lease of properties, parking space and parking rights.

Note: 1. Segment revenue share for 2022

PART 02

运营回顾

OPERATION REVIEW



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TWO

Policies to encourage industry development

Since 2022, various ministries and departments of the central government have continued to promulgate relevant policies to encourage the property industry to take up some of the public service functions and to guide property enterprises to participate in community elderly care, renovation of old communities and construction of smart communities.

Date	Area	Name of policy	Summary of the key components
March 2022	Nationwide	State Council "Report on the Work of the Government"	It is proposed to increase efforts to build supporting facilities for the elderly and childcare in the community, and to provide more support in terms of planning, land use and housing. Promote the quality and expansion of the domestic service industry, actively respond to the ageing population, optimize the supply of urban and rural elderly services, support social forces to provide day care, meal assistance and cleaning, rehabilitation and nursing services, and encourage the development of mutual help elderly services in rural areas.
May 2022	Nationwide	Nine departments such as Ministry of Civil Affairs, Central Political, etc. "Opinions on the In-depth Promotion of Smart Community Construction"	It is proposed that by 2025, a smart community service platform with grid-based management, refined services, information support and open sharing will be constructed, a government-directed and multi-participation funding mechanism for smart community construction will be improved, and social forces will be encouraged to participate in "Internet+community services".
September 2022	Nationwide	Ministry of Civil Affairs, Ministry of Finance "Notice on the Organization and Implementation of the 2022 Project on the Promotion of Basic Elderly Services at Home and in the Community"	The two departments have jointly confirmed the implementation of the 2022 project to enhance basic elderly care services at home and in the community in 42 areas, including Xicheng District of Beijing; through the support of the central government's special lottery public welfare fund, to provide 100,000 elderly family beds for the disabled and partially disabled in financial difficulties; and encourage active exploration in the construction of facilities and institutional cultivation to form an effective model of home and community elderly care services that can be replicated and extended.
October 2022	Nationwide	Ministry of Housing, Ministry of Civil Affairs "Notice on the Commencement of the Pilot Project on Complete Community Building"	<ul style="list-style-type: none"> (i) Improving community service facilities to meet the daily needs of residents; (ii) Creating a living environment for official residence and strengthening the renovation of community infrastructure in conjunction with the transformation of old urban districts and the renewal and renovation of ageing city gas pipelines; (iii) Promoting intelligent services and building a smart property management service platform; (iv) Strengthening community governance mechanisms, establishing a sound community consultation mechanism led by party organizations, and guiding residents to participate in the construction of complete communities throughout the process.

Capable in established and leading position in the green building management

Benefit from the Landsea Group's "Green Differentiation Strategy", we have developed extensive experience, strengths and competencies in providing property services to green buildings

Green building management development will be given new opportunities, the Ministry of Housing and Construction and other ministries and state agencies require the proportion of "green building" area in new buildings to reach at least **70%¹** by 2022



- ◆ As at 31 December 2022, green projects under management accounted for **26.3%** of the total property area under management, significantly higher than the average of the top 100 properties
- ◆ According to data from third parties, as of 31 December 2021, the proportion of **two-star or above** certified green buildings under management to the floor area under management, ranking **third**; among the Top 100 Property Management Companies in China; as at 31 December 2021, ranking **sixth** among the Top 100 Property Management Companies in China in terms of gross floor area under management in green buildings



- ◆ Received the first **BREEAM In-Use V6** certification for a residential project in 2020
- ◆ In 2021, we signed a strategic cooperation agreement with the Building Research Establishment (BRE) in the UK and became the exclusive **BREEAM In-Use** Green Building O&M Standard (Residential) certification assessor in the PRC
- ◆ In December 2021, awarded the highest 6-star certification for **BREEAM In-Use V6** residential project in the world

As at 31 December 2022:

Types	No. of green projects	No. of residents	GFA delivered ('10,000 sqm)
Residential	50	53,642	762
Commercial and office buildings	2	N/A	6
Total	52	53,642	768

Committed to:

- ◆ Implementation of the BREEAM In-Use green building O&M standard in **100** of the Group's residential projects
- ◆ Joint training of green building certification and assessment personnel and O&M management personnel
- ◆ Joint promotion of green building O&M concepts and standards

1. In July 2020, the Ministry of Housing and Urban-Rural Development, the National Development and Reform Commission, the Ministry of Education of the People's Republic of China, the Ministry of Industry and Information Technology of the People's Republic of China, the People's Bank of China, the National Government Offices Administration and the China Banking and Insurance Regulatory Commission jointly promulgated the Notice on the Issuance of the Action Plan for the Creation of Green Buildings, which requires that the proportion of "green building" area in new buildings should reach at least 70% by 2022, and reaffirms the commitment to continue to promote the rapid development of "green buildings"

Exploring the Path to Carbon Neutrality in Sustainable Communities

As a green and low-carbon community life service provider and city operator, Landsea Green Life remains focused on the important global sustainability goal of "sustainable cities and communities". In 2022, with the mission of "Leading Green Services for a Better Future", we will continue to explore the path of carbon neutrality in sustainable communities and contribute to the achievement of a green and better life for people.

朗詩綠色生活碳中和實現路徑 Landsea Green Life's path to carbon neutrality

範圍 Area	路徑 Path
範圍一和二 Scope 1 & 2	<ul style="list-style-type: none"> 辦公空間的綠色節能改造; 增加可再生能源電力的使用; 推動綠色辦公和員工行為的節能減碳。 <ul style="list-style-type: none"> Green energy-saving transformation of office space; Increase the use of renewable energy and electricity; Promote energy conservation and carbon reduction in green office and employee behavior.
範圍三 Scope 3	<ul style="list-style-type: none"> 推動供應鏈加快綠色低碳轉型; 宣導員工綠色出行，並通過開通企業碳積分系統進行激勵。 <ul style="list-style-type: none"> Accelerate the green and low-carbon transformation of the supply chain; Advocate employees' green travel, and encourage them by opening the enterprise carbon score system.
範圍三+ (推動社區生態減排) Scope 3+ (promoting carbon emission reduction in communities)	<ul style="list-style-type: none"> 2023年實現100個依據BREEAM In-Use綠色建築運維標準打造的朗詩社區; 積極構建“可持續社區朗詩低碳模式”，推廣社區資源回收、節能節水等相關技術措施，及社區碳排放管理平台的開發; 宣導社區居民的低碳生活方式，組織開展低碳公益活動，推動社區碳普惠。 <ul style="list-style-type: none"> In 2023, 100 Landsea communities in line with the BREEAM In-Use green building operation and maintenance standard will be built; Actively build "Sustainable Community Landsea Low-carbon Model", promote community resource recovery, energy conservation and water saving and other related technical measures, and develop a community carbon emission management platform; Advocate the low-carbon lifestyle of community residents, organize low-carbon public welfare activities, and promote community carbon inclusiveness.

5 patents for inventions Innovation leads to green development

- “An Early Warning Management Approach to Electricity Consumption in Smart Community Common Areas”
- “An Early Warning Method for Community Leakage Based on Big Data”
- “An Integrated Waste-Free Community Organic Waste Treatment Station and Its Usage”
- “An Integrated Waste-Free Community Waste Management System and Management Method”
- “A Method for Evaluating the Quality of Organic Fertilizer for Waste-Free Community Output”



2 software copyrights Digitally driven low carbon operations

- Low Carbon Community Smart Management Platform V1.0
- Community Green Operations Simulation System V1.0



有温度的社区

Well-established in the highly attractive regional market of the Yangtze River Delta

Starting from the first project in Nanjing, we've built up a wide brand influence, reputation and cultivated high market expansion and operational capability in the Yangtze River Delta



27 of the 36 cities under our business coverage are located in the Yangtze River Delta



天津 (5)

Of the 203 projects under management, 163 are located in the Yangtze River Delta, accounting for 85% of the area under management

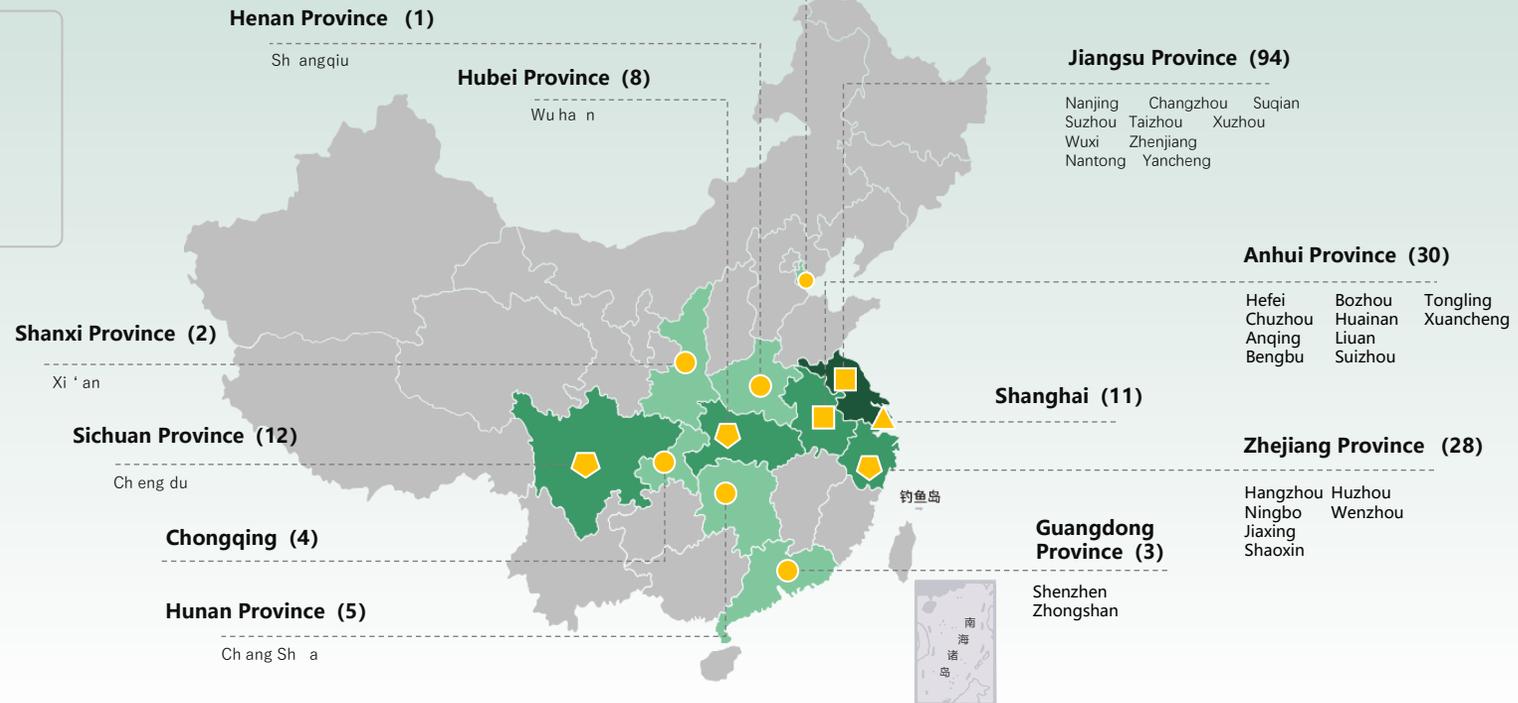
Data as at: 31 December 2022

Number of projects under management (projects)

- 1 - 5
- 6 - 50
- >= 50

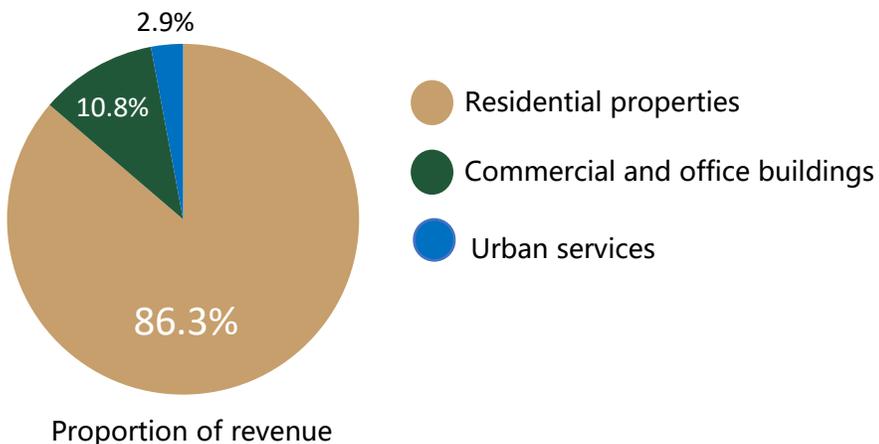
Area under management (10,000 sqm)

- < =50
- 51 - 100
- 101 - 499
- >= 500



Enhanced services profession, diversified business portfolio

Diversified business portfolio, percentage of revenue from commercial and office buildings increased by 1 pct.



Residential Properties

All types of residential properties, including green residential properties

As at 31 December 2022, 163 residential properties under management in total, of which 45 were added in 2022;

Commercial and office building

Including office buildings, rental apartments and commercial buildings etc.

As at 31 December 2022, 25 commercial and office buildings under management in total, of which 9 were added in 2022; GFA under management was approximately 1.49 million sqm, representing an increase of 81.7% as compared with the end of last year

Urban Services

Including urban civil services, public facilities, industrial parks and branches of banks etc.

As at 31 December 2022, 15 urban services properties under management in total, of which 12 were added in 2022

Expansion of property management scale, continuous enhancement in brand awareness and standardization of services



In June 2021, we obtained ISO:27001 Information Security Management System Certification



In March 2021, we obtained ISO:50001 Energy Management System Certification

On 31 December 2022, the Group's average property management fee per unit was RMB2.10元, with residential property management fee per unit was RMB1.86, and commercial and office buildings management fee per unit was RMB6.74



Management scale continues to improve, independent third-party area ratio over 50%

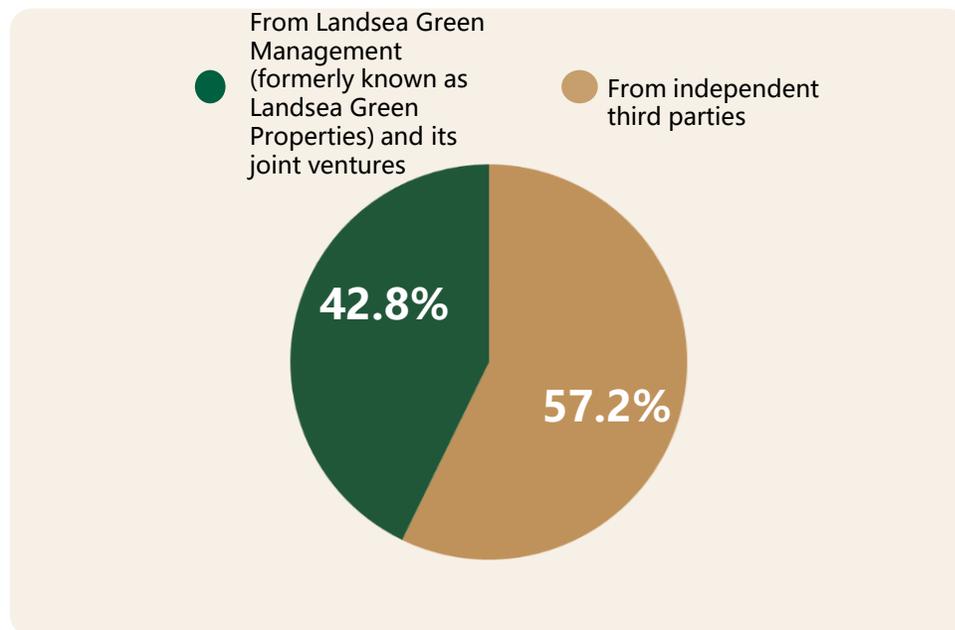
As at the end of June 2022, the contracted GFA and GFA under management were approximately **37.09** million sqm and **29.18** million sqm respectively

2018-2022, the proportion of GFA under management from independent third parties surged from 16.6% to **57.2%**.

Continued improvement in management scale



GFA under management by independent third parties



Relying on its brand influence, quality services, efficient management and market-oriented cooperation approach, the Group has entered into strategic cooperation with the government, state-owned enterprises, regional property developers and others, and set up partner companies to accelerate the process of external expansion; the breakdown of the new partner companies as at 31 December 2022 is as follows.:

	No. of companies	No. of projects	GFA under management (10,000 sq.m.)
Revenue and GFA under management consolidated	6	7	142
Off-balance-sheet, only sharing investment income	9	23	295

At the end of 2021, the Group acquired 100% equity interest in Dream Seeker, the target company, and its subsidiary, Anhui Xindi Ruiyi Property Services, which is ranked 88th among the top 100 property services companies in China. The completion of the acquisition took place on 30 May 2022 and the Group's contracted GFA increased by approximately 7.03 million sq.m., further strengthen Landsea Green Life's influence in Anhui regional market;

In the first half of the year, Xindi Ruiyi successful bid for the sanitation and cleaning project in Qinlan Town (秦栏镇), with a contract period of three years, total contracted revenue amounted to approximately RMB 15.60 million, which contributes to the construction of urban life service concept of the Group and to the further enrichment of our business portfolio.



Landmark building in Anhui – Xindi Center
(Project under management of Xindi Ruiyi)

Value-added services to non-property owners

Value-added services to non-property owners mainly include: sales assistance services, property consultancy services and property agency services

Three dimensions of sustainable communities



Eight professional O&M capabilities



Sales assistance services

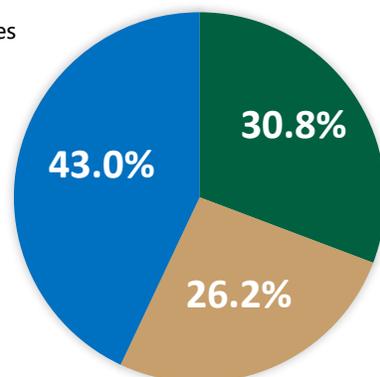
As at 31 December 2022, the Group had provided sales assistance services to **47** sales offices to Landsea Green Management and related partner companies, and properties companies of independent third-party

Property consultancy services

In 2022, we provided green building property management consultancy services to Chongqing Le Mansion, Chongqing Future Times, Chengdu Future Block, Chongqing Central Park project and Lishui Baoding Zen Temple project, with a service area of **280,000** sqm and a contract value of RMB **2.23** million

Segment revenue share

- Property agency services
- Sales assistance services
- Property consultancy services



Property agency services

Remaining property sales: during the period, the Group facilitated **5** apartment transactions, **12** residential transactions and **869** parking space transactions

New property sales: new property sales: In addition to providing property agency services to property developers, we also assisted property developers to enter into property sale and purchase agreements with buyers to assist them in selling new properties, thereby expanding our property agency services to them

During the period, the Group facilitated **188** residential property transactions

Community value-added services

Community value-added services mainly include providing to residential properties under management: home-living services, public resources management services and asset management services

Two major brands

诗友公社 THE LANDSEA FRIENDS

With the community associations as the medium, facilitate effective interaction with property owners through diversified and enriching community cultural operation, deeply explore the strengths of property owners, stimulate their love, connect property owners with the same interests and hobbies, and foster neighborhood relationship;



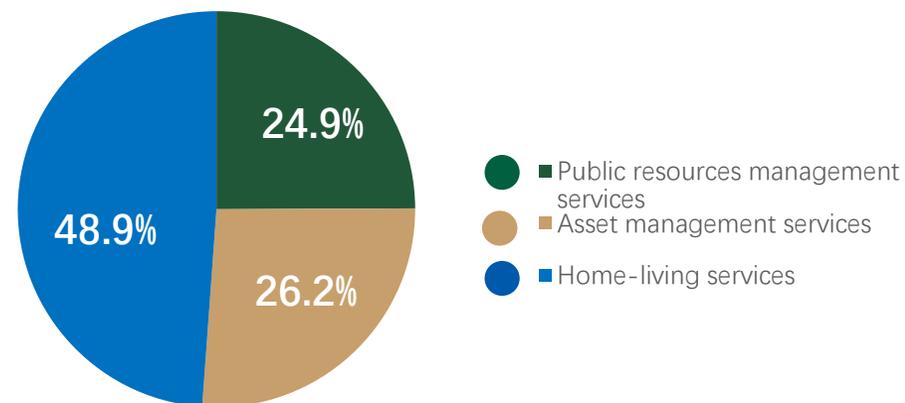
- ◆ In 2022, the Landsea Friends released four sets of standard guidelines for fully closed-loop cultural marketing and a toolkit of activities in line with Landsea Green Life's community culture, to develop more professional and standardised community activities;
- ◆ In 2022, a total of 19 national and city-level interest groups were established, and 210 community-level groups were connected ;
- ◆ 616 activities were held, of which 82 were independently organized by the residents, covering 380,000 customers, a total of 49,000 families of customers participated
- ◆ "Landsea Friends mini-programs" was formally launched in June 2022, with 18,000 registered users and 190,000+ visits during the period.

汇邻驿居

Providing property agency services to property developers and property owners



Segment business



Asset management services – realised an increase in both trading volume and revenue

- ◆ 747 transactions, 1,366 leases, with a transaction value of RMB399 million; Revenue increased by 23.3%

Home-living services

- ◆ Revenue from home-living services increased by 19.0% comparing with previous year, despite the impact of the pandemic

Digital technology drives the upgrade of business operations and management systems to improve operational efficiency, reduce costs, strengthen management decision-making capabilities and optimise the service experience

Development and upgrading of internal management systems



Data supported to improve the efficiency and quality of business decisions through digitalisation

Human resource planning and management system

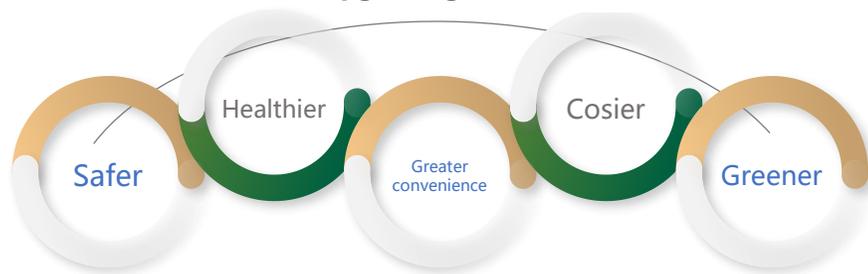
Financial data sharing and management system

Resources and service procurement management system

Various business development and management system

Further upgrades to the digital intelligence system

Upgrading smart communities



Asset-centric property services

Customer-centric warm services

Continued upgrades to Landsea eCloud and customer service platform



Upgrading Landsea eCloud platform:

- ◆ Establish a digital management cockpit to achieve full process management of properties under management
- ◆ Multiple views of site operations to improve daily operational efficiency and reduce administrative costs



Building a customer operation platform:

- ◆ Analyse customer needs from multiple perspectives, optimise service models and content through digitalisation, and provide services tailored to customer needs
- ◆ Improve community service platform such as mini-program, corporate Wechat and community activities tools, and enrich community activities

Improve data security and continue IoT scenario exploration



Customer data protection

Continuously maintain and strengthen the security of information systems to create a safe and secure digital asset platform

Continuous IoT scenario exploration

Optimising data analysis by relying on IoT smart devices → Discover innovative businesses to enrich IoT smart life scenarios

Continued strengthening of human resource management to enhance brand awareness and service professionalism

To create an entrepreneurial work environment through continuous recruitment and motivation of talents, and to enhance visibility through promotion, optimisation of business layout and quality management

Continuous motivation, retention and recruitment to enhance human resource management



Talent career path construction

The Company's talent career path construction idea is a three-step strategy of recruitment, employment and termination. Recruitment focuses on standards, employment focuses on training and termination focuses on evaluation. By formulating an effective selection plan for successors and reserve talents for key positions, we can reasonably identify and train a pool of reserve talents, establish a talent career path for the Company and provide manpower support for its sustainable development.

Organisational effectiveness improvement

The Company has established an automated, intelligent and digital manpower information platform that is customer-oriented and with focus on user experience. Through the centralization of management decisions, unification of standards and sharing of service functions, the Company has achieved a strategic human resource management system and improved its overall management effectiveness and organizational performance.

Enhancing brand awareness and achieving professionalisation of services

Continuing to enhance brand awareness and the service concept of "building warm communities"

- ✓ Increase the number of BREEAM In-Use V6 certified residential projects to continue to enhance our ability to provide green building property management services
- ✓ Organise and participate in branding activities and work with research institutes, local authorities and the media to promote the brand
- ✓ Committed to reducing carbon emission in the full scenario of residents' urban community life, including community domestic energy, domestic water, residents' travel, and harmless waste

Establishing "Landsea Green Life Research Team" to understand customer and market needs

- ✓ Business layout of the property management services industry
- ✓ Future trends and types of property management services
- ✓ Exploring innovative value-added services and green building features services of commercial and office buildings and urban services

Further upgrading of internal management system specifications for stricter quality control

- OHSAS 18001**
International Occupational Health and Safety
- ISO45001**
Safety Assessment System Certification
- ISO 50001**
Energy Management System Certification



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PART 03 财务回顾

FINANCIAL REVIEW



THREE



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Total revenue has steadily increased, with proportion of value-added services further increased

Total revenue growth

(RMB100 million)



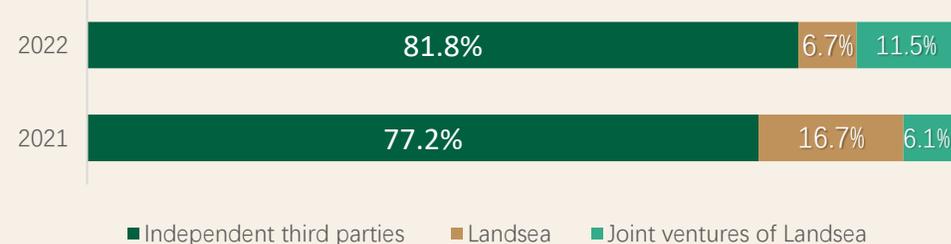
In 2022, total revenues grew at a year-on-year rate of **20.6%**, specifically:

- ◆ By business type, the revenue of property management services grew at **32.3%**, the revenue of community value-added services grew at **19.4%**
- ◆ By customer type, revenue from independent third parties accounted for over 80%, remained at a comparatively high level

Revenue structure - by business type

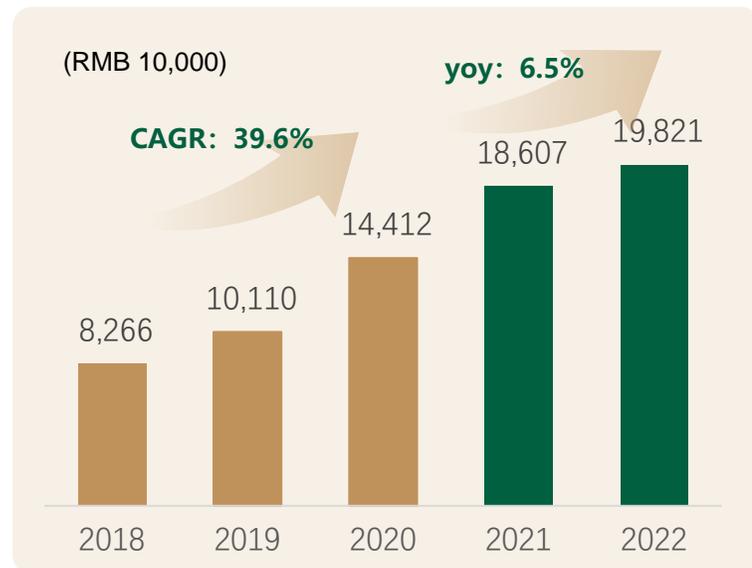


Revenue structure - by customer type



The profit level

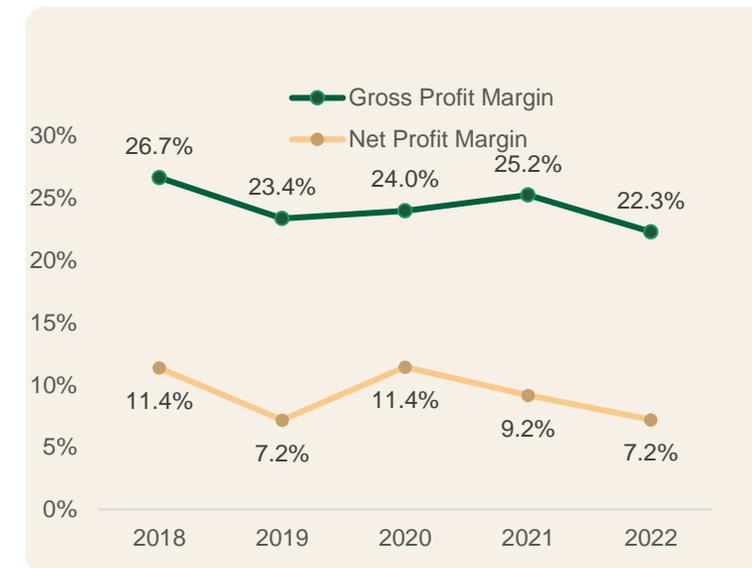
Gross Profit¹



Net Profit Excluding Non-recurring Gains and Losses²



Gross Profit Margin¹ and Net Profit Margin Excluding non-recurring Profit or Losses²



Gross margin decreased by **2.9** percentage points year-on-year to **22.3%**, and net margin decreased by **2** percentage points year-on-year to **7.2%**, in FY22, mainly due to

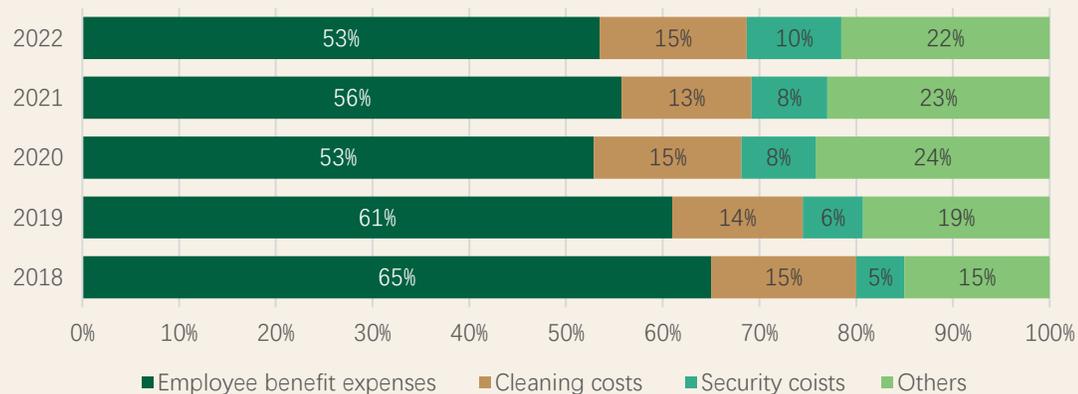
- Rising labour costs for property management services;
- The decrease in gross profit margin for casework services and property consultancy services was due to fluctuations in the real estate market and the impact of the pandemic.

1. 此处列示之2020年毛利及毛利率已剔除了疫情期间社保补贴的影响，2020年社保补贴总金额为1,661万元，报表毛利为16,073万元

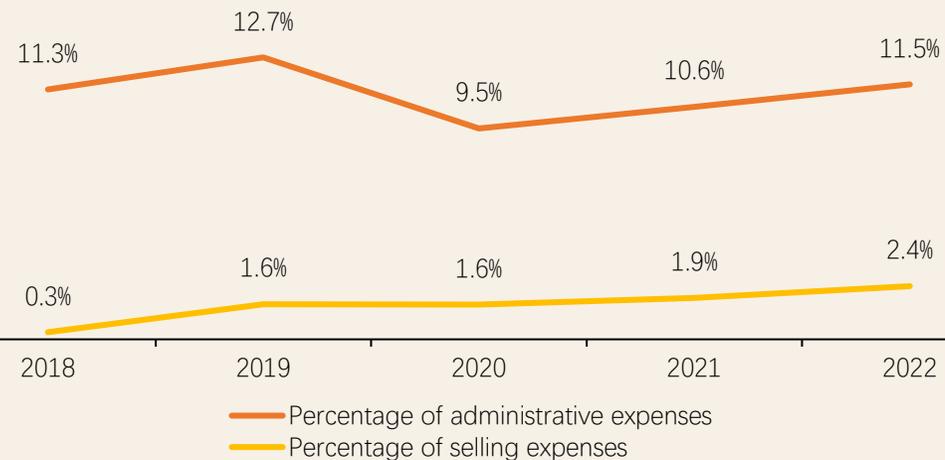
2. 此处所示2018-2022年净利润及净利润率扣除减值损失的影响，2018-2022年报表净利润为3,096万元、3,431万元、6,556万元、5,834万元及2,929万元

Cost and expense structure

Cost and expense structure



Selling expenses and administrative expenses¹ as a percentage of revenue



Employee benefit expenses, cleaning costs and security costs constitute a major portion of costs and expenses, amounting to **75%** in total

Employee benefit expenses as a percentage of total costs and expenses have steadily decreased from approximately **65%** from 2018 to approximately **53%** in 2022

1. 此处列示之2019年、2020年及2021年行政费用已剔除了上市行政费用的影响，剔除的上市行政费用分别为约人民币571万、820万及1,885万

Business segment - property management services business

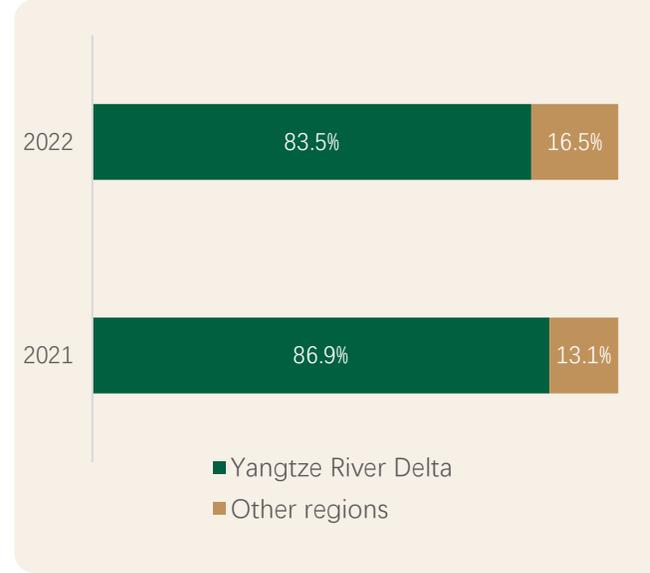
Revenue and GFA under management growth



Gross profit and gross profit margin



Revenue by region¹



GFA under management by client type



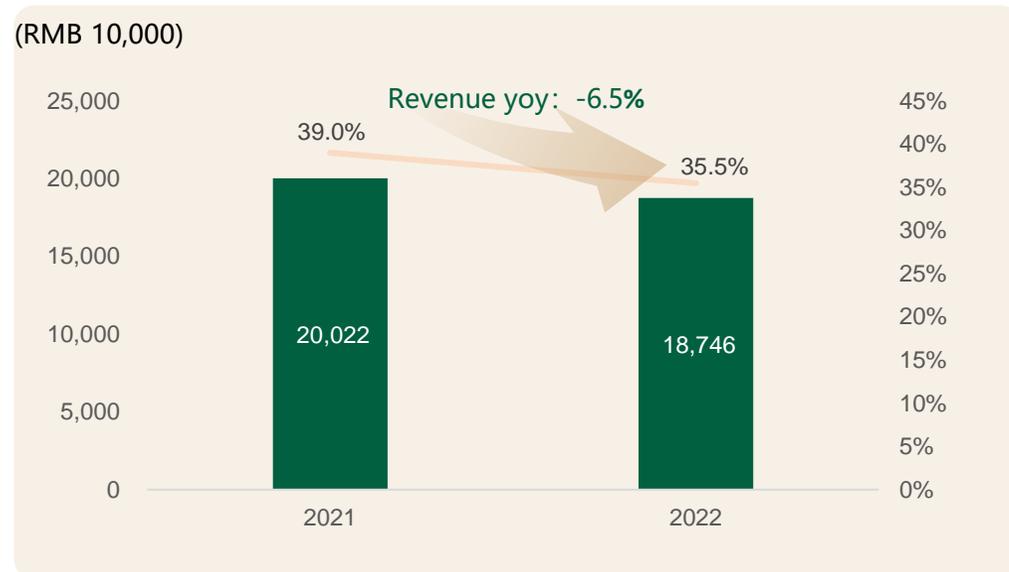
In 2022, the GFA under management increased by **50.0%**, and the revenue increased by **32.3%**

- ◆ Regional diversification: the Yangtze River Delta still contributes **over 80%** of revenue, but other regions are gradually increasing their revenue contribution from 8% in 2018 to 16.5% in the first half of 2022;
- ◆ The share of GFA under management from independent third parties is **over 50%**, increased by 15 percentage points as compared to that of the end of last year;
- ◆ Gross margin decreased by 1.1 percentage points to 13.1% as compared to the corresponding period of last year, which is due to the increase of employee benefit expenses in 2022

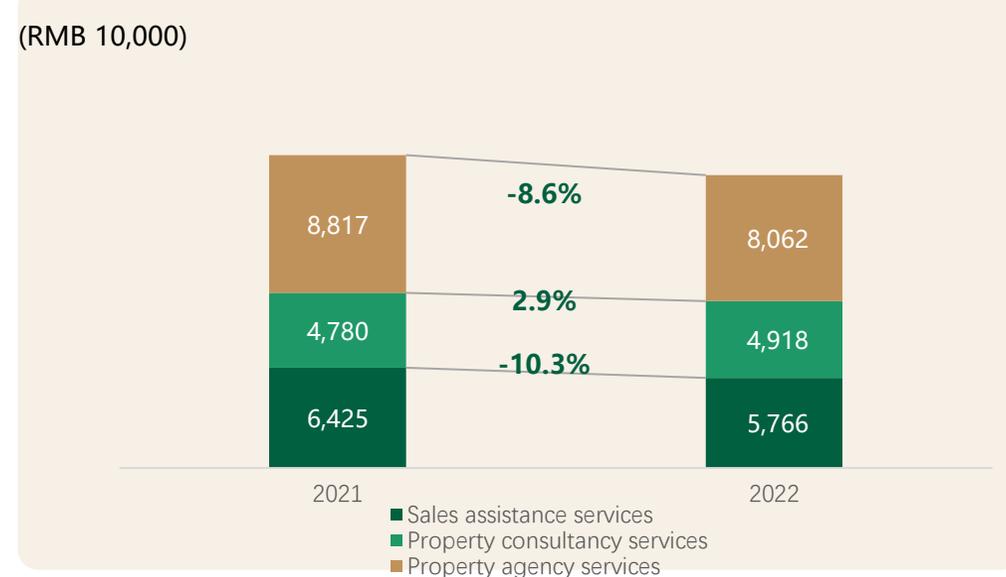
1. The Yangtze River Delta region includes Jiangsu, Shanghai, Zhejiang Province and Anhui Province; other regions include Hubei Province, Sichuan Province, Guangdong Province, Chongqing, Tianjin, Shaanxi Province and Hunan Province.

Business segment - value-added services to non-property owners

Revenue and gross profit margin of value-added services to non-property owners



Revenue breakdown of value-added services to non-property owners



In 2022, the revenue of value-added services to non-property owners has a year-on-year decline of 6.5%, gross profit margin decreased by 3.5 percentage points and reached 35.5% as compared to corresponding period of last year

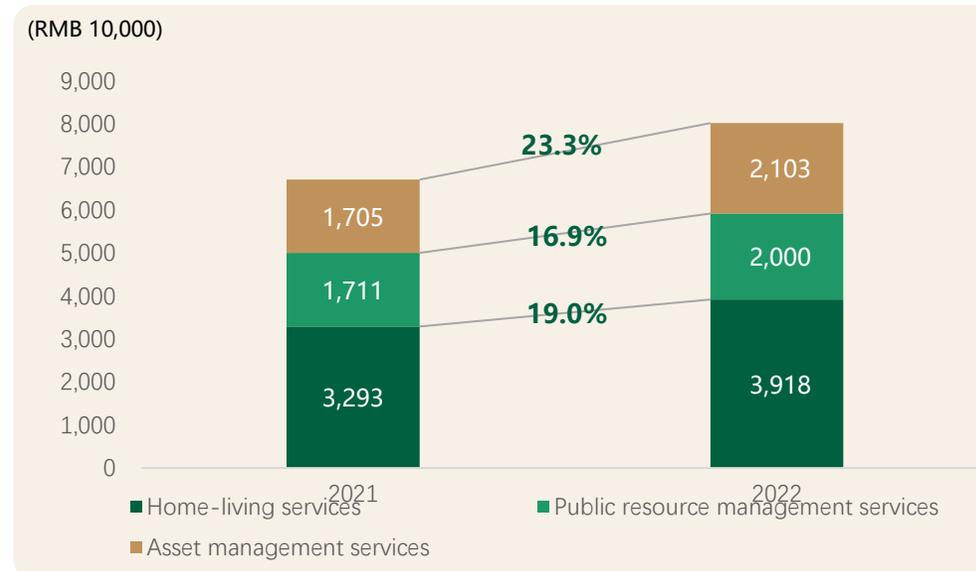
- ◆ Due to factors such as the downturn in the property sector, the recurrence of the COVID-19 pandemic and the slowdown in macroeconomic growth, the number of sales assistance services provided during the period increased by 8 compared to the same period while the revenue from sales assistance services decreased by 10.3% year-on-year;
- ◆ Diversified business layout, with individual property management services achieving revenue of nearly 3.50 million, accounting for approximately 7% of total property consultancy services total revenue;
- ◆ Establishment of a professional property agency service sales team, in collaboration with community housekeepers, to enhance service quality based on customer demand analysis.

Business segment - community value-added services

Revenue and gross profit margin of community value-added services



Revenue breakdown of community value-added services



In 2022, the revenue of community value-added services increased 19.4% year-on-year ; the gross profit margin basically remained the same

- Revenue from asset management services increased by 23.3% with a steady rise in trading transaction volumes

	20FY	21FY	22FY
Trading (unit)	225	598	747
Rental (unit)	933	1627	1336

PART 04

展望

OUTLOOK



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FOUR

01

Continue to promote quality scalability on the basis of innovation, accelerate the transformation and upgrading of enterprises to become a life service platform



02

Adhere to the customer-oriented principle, continue to consolidate our regular property management, improve operational management and service quality, and maintain our leading position in the industry in terms of customer satisfaction; continue to develop community life services, innovate business models, expand service scopes, and make value-added services an important growth point for us to generate revenue and profit



03

Integrate internal and external resources to vigorously expand the residential, office and urban service areas. accelerate the layout of services in a variety of living scenarios, including elderly care, housekeeping, asset operation, green energy, green home renovation, community retail, neighborhood community and integrated urban services; strengthen and accelerate digital establishment, improve customer service experience, optimize corporate operation efficiency, and facilitate the business development in diversified service scenarios.



PART 05

附录

APPENDICES



LAST



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FIVE

Financial appendices – consolidated statement of comprehensive income

(千元人民币) (RMB '000)	截至12月31日止年度 For the year ended 31 December				
	2018	2019	2020	2021	2022
收益 Revenue	310,123	432,789	600,906	737,218	889,454
销售及服务成本 Cost of sales and services	(227,460)	(331,689)	(440,176)	(551,145)	(691,246)
毛利 Gross profit	82,663	101,100	160,730	186,073	198,208
其他收入 Other income	22,884	63,537	38,444	4,988	11,398
销售开支 Selling expenses	(1,015)	(6,876)	(9,451)	(13,789)	(21,388)
行政开支 Administrative expenses	(34,969)	(60,748)	(65,409)	(96,226)	(102,192)
预期信贷亏损模式下的减值 (亏损) / 收益 Impairment (losses)/gains under expected credit loss model	(5,698)	4,357	(4,174)	(12,238)	(45,914)
其他收益 / (亏损) 净额 Other gains/(losses) – net	36	(174)	(640)	5,475	(1,880)
经营利润 Operation profit	63,901	101,196	119,500	74,283	38,232
财务收入 Finance income	48	51	130	2,095	2,213
财务成本 Finance costs	(22,363)	(53,671)	(34,372)	(48)	(76)
财务财务成本净额 Finance income/(costs) – net	(22,315)	(53,620)	(34,242)	2,047	2,137
来自联营公司的收益 Gains of associates	–	–	–	231	766
来自合营公司的收益 Gains of joint venture	–	–	–	–	51
除所得税前溢利 Profit before income tax	41,586	47,576	85,258	76,561	41,186
所得税开支 Income tax expenses	(10,625)	(13,269)	(19,698)	(18,219)	(11,900)
年/期内溢利 Profit for the year/ period	30,961	34,307	65,560	58,342	29,286
其他全面收益 Other comprehensive income					
可能重新分类至损益的项目: - 换算海外业务的汇兑差额 Items that may be reclassified to profit or loss: - Exchange difference on translation of foreign operations	–	–	66	299	(19,932)
将不会重新分类至损益的项目: - 换算海外业务的汇兑差额 Items that are not reclassified to profit or loss: - Exchange difference on translation of foreign operations	–	–	–	(4,122)	23,443
年/期内全面收益总额 Total comprehensive income for the year/period	30,961	34,307	65,626	54,519	32,797
以下各方应占年/全面收益总额 Total comprehensive income for the year/period attributable to:					
- 贵公司拥有人 Equity owners of the Company	25,265	34,005	65,626	54,508	31,931
- 非控股权益 Non-controlling interests	5,696	302	–	11	866

Financial appendices – consolidated balance sheet

截至12月31日止年度 For the year ended 31 December

(千元人民币) (RMB '000)	2018	2019	2020	2021	2022
资产 Assets					
非流动资产 Non-current assets					
投资物业 Investment properties	6,085	5,716	5,336	7,552	750
物业、厂房和设备 Property, plant and equipment	3,221	3,102	4,497	7,835	16,931
使用权资产 Right-of-use assets	1,607	927	1,588	1,257	1,291
无形资产 Intangible assets	744	1,266	3,218	4,679	48,718
于联营企业的投资 Investment in associates	–	–	–	1,611	2,377
于合营企业的投资 Investment in joint ventures	–	–	–	–	851
递延所得税资产 Deferred income tax assets	7,890	15,008	8,685	15,377	32,102
商誉 Goodwill	–	–	–	–	60,750
	19,547	26,019	23,324	38,311	163,770
流动资产 Current assets					
贸易应收款项 Trade receivables	28,527	58,343	115,611	215,426	309,095
存货 Inventories	539	1,768	1,839	1,228	1,049
预付款项及其他应收款项 Prepayments and other receivables	895,715	240,107	160,872	148,564	228,117
受限现金 Restricted cash	–	–	–	360	780
现金及现金等价物 Cash and cash equivalents	84,241	656,290	314,265	444,093	358,166
	1,009,022	956,508	592,587	809,671	897,207
资产总值 Total assets	1,028,569	982,527	615,911	847,982	1,060,977
负债 Liabilities					
非流动负债 Non-current liabilities					
租赁负债 Lease liabilities	408	–	142	56	502
借款 Borrowings	509,632	376,081	–	–	–
递延所得税负债 Deferred income tax liabilities	–	–	–	–	10,228
	510,040	376,081	142	56	10,730

有温度的社区

Financial appendices – consolidated balance sheet (continued)

截至12月31日止年度 For the year ended 31 December

(千元人民币) (RMB '000)	2018	2019	2020	2021	2022
流动负债 Current liabilities					
贸易及其他应付款项 Trade and other payables	149,285	315,971	310,816	302,284	411,824
合约负债 Contract liabilities	64,581	113,133	146,663	160,280	207,293
租赁负债 Lease liabilities	862	608	949	871	507
借款 Borrowings	136,449	72,362	–	–	–
即期所得税负债 Current income tax liabilities	24,709	41,615	28,958	18,815	31,532
	375,886	543,689	487,386	482,250	651,219
负债总额 Total liabilities	885,926	919,770	487,528	482,306	661,949
权益 Equity					
贵公司权益拥有人应占资本及储备 Capital and reserves attributable to equity owners of the Company	–	–	–	–	–
汇总资本 Combined capital	100,000	–	–	–	–
股本 Share capital	–	–	–	3,421	3,421
储备 Reserves	30,846	62,757	128,383	357,994	388,344
	130,846	62,757	128,383	361,415	391,765
非控股权益 Non-controlling interest	11,797	–	–	4,261	7,263
权益总额 Total equity	142,643	62,757	128,383	365,676	399,028
负债及权益总额 Total liabilities and equity	1,028,569	982,527	615,911	847,982	1,060,977

Business development milestones

2005

Landsea Property Management was established and commenced to provide property management services.

2007-2010

Began the expansion of our market presence in the Yangtze River Delta and commenced to provide property management services in Wuxi, and further expanded to Changzhou, Hangzhou and Suzhou.

2017

First named as Top 100 Property Management Companies China, Leading Brand of East China Property Service Companies and China Property Services Featured Brand Enterprises by CIA

2019

- ◆ Recognized as 2019 Leading Property Management Companies by Growth by China Property Management Association
- ◆ Total GFA under management in respect of properties developed by independent third-party developers increased significantly by around 5.0 million sqm, or by over 300%, as compared to that in 2018

2021

- ◆ Ranked the 24th among the Top 100 Property Service Companies in China in 2021 by CIA
- ◆ Strategic collaboration with BRE in the UK in the field of community green operation
- ◆ Published the 2020 ESG report, proposed the “sustainable community” model
- ◆ Listed on the main board of The Stock Exchange of Hong Kong on 8 July, stock code: 1965.HK

2008-2009

- ◆ Obtained ISO 9001 quality management system certification in 2008
- ◆ Obtained ISO 14001 environmental management system certification in 2009

2015

Ranked the 16th in terms of property management capability and the sixth in terms of community operation innovation by CRIC Research Centre and China Real Estate Appraisal Centre jointly

2018

Obtained OHSAS 18001 occupational health and safety management system certification

2020

- ◆ Ranked the 28th among the 2020 Top 100 Property Management Companies in China by CIA
- ◆ Recognized as Enterprises with outstanding contribution in ESG in 2020 by CIA
- ◆ Shanghai Landsea Hongqiao County, a property managed by us, became the first residential project in the globe to achieve the BREEAM In-Use V6 certification

2022

- ◆ Ranked the 23rd among the Top 100 Property Service Companies in China in 2022 by CIA
- ◆ Published the 2021 ESG report, proposed the “low-carbon living community” model
- ◆ On 30 May, formally completed the equity transfer of Anhui Xindi Ruiyi Property with an additional contracted GFA of approximately 7.03 million sq.m.

Awards and rankings

From 2017 to 2022, we were ranked as one of the **“Top 100 Property Service Companies in China”** for six consecutive years and ranked **23rd** in 2022

From 2018 to 2022, we were recognized as one of the **“Top 100 Property Service Companies in China in terms of Service Quality”** for five consecutive years

From 2017 to 2021, we were recognized as one of the **“Leading Brand in East China Region in China Property Service Companies”** for five consecutive years



2022
Top 100 Property Management Companies in China
Ranked **23**rd

- 2022 Top 100 Chinese Property Services Leading Enterprises in Service Quality
- 2022 Top 100 Property Management Companies in China in terms of Customer Satisfaction
- 2022 Leading Company in China's Property Management Industry with Market-based Operations
- 2022 China Featured Property Services Socially Responsible Enterprise of the Year
- 2022 China Outstanding Enterprise in terms of ESG Development
- 2022 Top 5 Leading Companies in Property Listed Companies with Growth Potential
- 2022 Top 100 Property Services Companies
- Most Valuable Property Company at the 6th Annual Awards Ceremony for Golden Hong Kong Stocks



Shareholding structure as at 31 December 2022

